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Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Advisory Committee on Administrative and Budgetary Questions

1. In accordance with financial regulation 12.11, the Advisory Committee on Administrative and Budgetary Questions received the reports of the Board of Auditors on the financial reports and audited financial statements, for the year ending 31 December 1996, of the voluntary funds administered by the United Nations High Commissioner for Refugees (UNHCR),[1] and the United Nations Institute for Training and Research (UNITAR).[2] In addition, the Committee had before it the concise summary of principal findings, conclusions and recommendations of the Board of Auditors (A/52/261), as well as an advance copy of the report of the Secretary-General on the implementation of the recommendations of the Board (A/52/381). During its consideration of the reports, the Committee met with members of the Audit Operations Committee.

2. The Advisory Committee commends the Board of Auditors for the quality of its reports. The Committee notes that the Board has taken into account the comments and recommendations made in the last report of the Committee (A/51/533) regarding the need to point out with greater precision recurring malpractices and violations of rules and regulations, to make recommendations more precise and focused and to point out those previous recommendations made by the Board which were not fully implemented by the Administration.

3. The Advisory Committee exchanged views with members of the Audit Operations Committee on the question of the biennalization of the audit reports for UNHCR and UNITAR. The Auditors informed the Committee that there were certain advantages to the biennial audit reports. Accordingly, the Committee requests the Executive Director of UNITAR and the United Nations High Commissioner for Refugees to consult with the Board of Auditors on the implication of submitting biennial instead of annual reports for those two entities, to coincide with the submission to the General Assembly of the biennial reports of the other administrations of the United Nations and its funds and programmes, and to report to the General Assembly at its fifty-third session on the results of such consultations.

Voluntary funds administered by the United Nations High Commissioner for Refugees

4. As indicated in paragraph 2 above, the Advisory Committee welcomes the introduction of a new section in the reports highlighting those recommendations which were not fully implemented, as contained in paragraph 8 of the report on UNHCR[1] and paragraph 5 of the concise summary (A/52/261). The Committee notes that some of these recommendations were made in 1993 and repeated in 1994 and 1995. The Committee also notes, however, that some of the recommendations are under implementation at the moment, and that the process has not yet been completed,

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as is the case with the assessment of the capabilities of implementing partners and the submission of project monitoring reports by field offices and subproject monitoring reports by implementing partners.

5. The Advisory Committee points out that the timely submission of audit certificates for expenditures incurred by implementing partners of UNHCR continues to be a concern. As summarized in paragraph 11 of the report on UNHCR, no certificates had been received in respect of 1996 expenditures at the time when the Board was finalizing its report. Furthermore, the Board also indicates that the UNHCR practice of recording cash advances to the implementing partners as programme expenditure at the time the funds are advanced does not meet the criterion of full accountability for programme expenditure. The Committee notes that, as indicated in paragraph 10 of the report of the Secretary-General on implementation of the recommendations of the Board (A/52/381), UNHCR recently started a process of defining its systems requirements and that an important part of that process included a review of the accounting practices, reporting mechanisms and requirements relating to implementing partners. The Committee trusts that this review will fully address the Board's concerns.

6. The Advisory Committee has repeatedly endorsed the views of the Board of Auditors regarding the timely submission of audit certificates by the implementing partners of UNHCR and recommended further efforts to enhance audit of UNHCR operational activities, including assessment of the capabilities of implementing partners to implement major projects (see A/50/560 and A/51/533). In the context of its recent review of UNHCR activities financed from voluntary funds for the period 1996-1998, the Committee discussed the issue with representatives of UNHCR and was informed that the latter was making the audit certification clause mandatory for all the projects as of 1 January 1997. It was also proposing to differentiate between the various categories of implementing partners for audit purposes and it was establishing a comprehensive database that would include financial information about non-governmental organizations, including their ability to comply with UNHCR reporting and audit requirements (see also A/52/381, para. 6).

7. Moreover, the Advisory Committee recommended that the Executive Committee of UNHCR examine the issue with a view to providing further policy directive, in particular with regard to government implementing partners, and pointed out the need to isolate the reasons for delays and lack of compliance with the audit requirements so that further measures may be taken by UNHCR and the implementing partners concerned. As indicated by the Committee in its report of 24 September 1997, to be placed before the Executive Committee of UNHCR at its forthcoming session, all implementing partners, whether Government or non-governmental agencies, are under the obligation, without exception, to honour the agreement they have freely entered into with UNHCR regarding the management of resources donated by Member States for the purpose of implementing the mandate of the Office of the United Nations High Commissioner.

8. Furthermore, the Advisory Committee is of the view that it is of particular importance for UNHCR to assess fully the capacity of implementing partners before agreement is reached with them, and that the proposal to establish a database of implementing partners should facilitate efforts to ascertain the implementing partners respective capacity, as indicated in the Committee report mentioned in paragraph 7 above. The Committee was also informed, in the context of its discussions with representatives from UNHCR, that the latter intends to establish a threshold value of $100,000 for the strict application of the requirements for an audit certificate for projects implemented by national non-governmental organizations.

9. As indicated in the report of the Advisory Committee, this threshold value of $100,000 would be applied to the total annual value of activities undertaken by a national non-governmental organization on behalf of UNHCR. For projects with a lesser value, UNHCR may request audit certificates if it deems it necessary. The Committee was further informed that the basis for the establishment of this value was that purchases over this amount require the approval of the Committee on Contracts. The Advisory Committee notes that in 1996 there were 259 projects below $100,000, valued at a total of $9.4 million — approximately 1.6 per cent of the total value of projects for the year implemented by UNHCR implementing partners. The Committee discussed the issue further with the members of the Audit Operations Committee of the Board and, notwithstanding the threshold value, the Committee believes that for projects below $100,000 there should be at least one audit during the life of a project. This is similar to the procedure followed by the United Nations Development Programme (UNDP).

10. The findings and recommendations of the Board regarding programme management are contained in paragraphs 8 to 10 of the concise summary (A/52/261) and paragraphs 46 to 74 of the report of the Board of Auditors on UNHCR.[1] The Advisory Committee notes that the rates charged for programme delivery and administrative support for general programmes vary from 32 to 48 per cent of the

total programme budget. As indicated in paragraph 28 of the report of the Advisory Committee of 24 September 1997, these categories of costs are currently undergoing a review by UNHCR. Moreover, the Committee pointed out to UNHCR the urgent need to review the criteria for classifying UNHCR expenditures as administrative, programme delivery and operational, since the definitions used not only appeared too general, but seemed to mix what is normally regarded as programme support costs with programme expenditures. The Committee further recommended, in paragraph 29 of its report, that the High Commissioner take into account the work already done in UNDP, the United Nations Population Fund, and the United Nations Children's Fund on harmonization of budget presentation and submit the conclusion of her review of the classification of UNHCR expenditures to the Executive Committee through the Advisory Committee in conjunction with her submission of the UNHCR budget for 1999.

11. The findings and recommendations of the Board of Auditors in connection with asset management are contained in paragraphs 102 to 115 of the report on UNHCR, and paragraph 15 of the concise summary. The Advisory Committee requests the High Commissioner to take into account the recommendations made by the Board in this regard, bearing in mind the need to establish a fully integrated system, which should enable the tracking of assets throughout their entire life cycle, from requisition and procurement to disposal. The Committee further recommends that the High Commissioner look into the system recently developed by the United Nations Secretariat (Department of Peacekeeping Operations) for the management of assets of peacekeeping operations to determine if the main aspects of this integrated system can be adapted for use by UNHCR.

12. The Advisory Committee expresses concern at the observations made by the Board regarding the use of consultants, summarized in paragraphs 12 to 14 of the concise summary, and recommends that UNHCR take immediate steps to review its contracting policy, to prepare more precise terms of reference and to establish and maintain an updated central roster. Deficiencies in the settlement of travel claims are also indicated in paragraph 116 of the report of the Board of Auditors on UNHCR. The Committee recommends that management action be taken to ensure that these claims are submitted and settled in a more timely manner.

13. With regard to external audit, the Advisory Committee notes, as indicated in paragraph 118 of the report of the Board of Auditors, that a memorandum of understanding was signed by UNHCR and the Office of Internal Oversight Services regarding resources to ensure adequate audit coverage. The Committee believes it is too early to evaluate the adequacy of resources after the recent signature, but it requests the Board of Auditors to monitor the implementation of the arrangement and to report in the context of its next audit report on the adequacy and functioning of the arrangement.

United Nations Institute for Training and Research

14. The Advisory Committee recalls from its report of 17 March 1993 (A/47/7/Add.14), that the UNITAR debt to the United Nations, which was to be cancelled in return for the immediate transfer of the UNITAR building to the United Nations, amounted to $11.6 million as of 31 December 1992, based on information contained in the Secretary-General's statement concerning UNITAR (A/C.5/47/82) and updated information received during its hearings on the subject. Of that amount, $4 million had been advanced to UNITAR for the purchase of the land on which the building was situated. The balance represented mainly advances to UNITAR to meet the shortfalls in its administrative budget.

15. In paragraph 31 of the Board of Auditor's report on the financial statements of UNITAR for the year ending 31 December 1996,[2] the Board indicates that UNITAR has not cleared the outstanding charges incurred on its behalf at United Nations Headquarters, as recommended by the Board in its previous report.[3] Moreover, in paragraph 10 of the report for the year ending 31 December 1996, the Board recommends that UNITAR liaise with United Nations Headquarters to agree on a position on the treatment of these long-standing charges, which date back to 1993.

16. However, in the report on the implementation of the recommendations of the Board of Auditors (A/52/381), UNITAR indicates that this issue was considered by the Board of Trustees of the Institute during its session in March 1997 and that its reading of General Assembly resolution 47/227 of 8 April 1993 was that the writing off of the Institute's debt before the restructuring applied across the board for all former UNITAR debts. It further indicates that official documents supplied by the United Nations Secretariat, including the report of the Secretary-General dated 29 October 1992 (A/47/458), did not prove otherwise.

17. Since this issue remains unresolved to date, the Advisory Committee requests the United Nations Administration to undertake a review of the matter to ascertain if the amount in question constitutes an outstanding debt of UNITAR towards the United Nations and to seek the advice of the Office of Legal Affairs in order to settle it.

Notes

[1] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 5E* (A/52/5/Add.5).

[2] Ibid., *Supplement No. 5D* (A/52/5/Add.4).

[3] Ibid., *Fifty-first Session, Supplement No. 5D* (A/51/5/Add.4).

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Programme budget for the biennium 1996-1997

Proposed programme budget for the biennium 1998-1999

Administrative expenses of the United Nations Joint Staff Pension Fund

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Standing Committee of the United Nations Joint Staff Pension Board on the administrative expenses of the United Nations Joint Staff Pension Fund (UNJSPF) (A/52/278). During its consideration of the report, the Committee met with the Chairman of the Standing Committee, the Secretary of the United Nations Joint Staff Pension Board and, with regard to investments of the Fund, with the representatives of the Secretary-General.

2. The report of the Standing Committee is submitted pursuant to the decisions of the General Assembly contained in resolution 46/220 of 20 December 1991. The report includes the revised estimates for the biennium 1996-1997 and the budget proposal for the biennium 1998-1999, as well as a request for authorization for a contribution to the Emergency Fund for the biennium 1998-1999.

3. The Advisory Committee notes that the Standing Committee's budgetary proposals for 1996-1997 and 1998-1999 take into account three studies that the Board had requested the Secretary of the Board to prepare on the audit arrangements of the Fund, on the short-term logistical requirements of the Fund's secretariat and a preliminary note on the present nature of administrative arrangements between the Fund and the United Nations and other member organizations, together with an analysis of their adequacy for the Fund's operations over the next 10 years or longer (see A/52/278, paras. 11-45). Upon request, the Committee was provided with a copy of the preliminary note from the Fund's secretariat, requesting the views of the Standing Committee as to the objectives which should guide the preparation of the concept paper to be considered by the Board in 1998 (JSPB/SC/180/R.4, para. 21).

4. As indicated in paragraphs 5, 7 and 8 of the report of the Standing Committee, under article 15 (c) of the Regulations of the Fund, the United Nations shares in the administrative expenses of the central secretariat of the Fund since the central secretariat also serves as the local secretariat of the United Nations Staff Pension Committee. The administrative expenses of the local secretariats of other staff pension committees of member organizations are borne directly by the organizations concerned. The share of the United Nations includes one third of the total cost of established posts of the Fund, related common staff costs and

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overtime, as well as a contribution to the identifiable costs of communications. This cost-sharing arrangement between the United Nations and the Fund has been based on a long-standing apportionment formula agreed by the Board and the General Assembly in 1954.

5. The Advisory Committee notes that, accordingly, in section I of the proposed programme budget for the biennium 1998-1999, the total amount available to the central secretariat of the Fund from the United Nations is $5,799,500, of which $2,509,700 will be paid by the United Nations Development Fund and the United Nations Children's Fund based on the relevant numbers of participants of those organizations in the Fund.[1]

II. Revised budget estimates for the biennium 1996-1997

6. As indicated in paragraphs 46 to 48 and 67 of the report, the Standing Committee approved the submission to the General Assembly of the revised estimates for the biennium 1996-1997 amounting to $45,426,800, an increase of $4,031,300, or 9.7 per cent, over the revised appropriations of $41,395,500 approved by the General Assembly in its resolution 51/217 of 18 December 1996 and $5,218,500, or 13 per cent, over the initial approved budget of $40,208,300 for 1996-1997.

7. The proposed increase of $4,031,300 for 1996-1997 comprises $200,000 for administrative costs and $3,831,300 for investment costs. As indicated in paragraphs 49 to 62 of the report, the additional resources requested relate mainly to the requirement of $4,000,000 for additional costs for advisory and custodial fees of investments, with increases in some other items of the budget, partially offset by reductions in other requirements (see A/52/278, table 8 and annex III). There is also a contingency provision of $394,900 for additional office space for the administrative and investment operations or to meet the cost of reconfiguring existing office space, should additional office space be unavailable before the end of 1997 (see A/52/278, paras. 49 and 62). The Advisory Committee has no objection to the request for additional resources.

8. With respect to the contingency provision for additional office space, the Advisory Committee notes from paragraph 64 of the report that at present the United Nations provides approximately 23,965 square feet of office space free of charge to the Fund. Also, as the host organization for the Fund and in recognition of the fact that the Fund's secretariat also serves as the secretariat of the United Nations Staff Pension Committee, the United Nations has, over the years, provided various administrative services such as payroll, procurement, conference and other related services (see A/52/278, para. 10). The Committee notes that the United Nations indicated that as no agreement had yet been reached with regard to any long-term revised cost-sharing arrangements, the provision of space arrangements should continue through 1998 subject to the proviso that, should additional costs be incurred as a result of the Fund requiring more space, such costs, both in terms of actual additional space and the cost of moving, would be met by the Fund from its own resources (see A/52/278, para. 29).

9. As indicated in paragraph 65 of the report, the Standing Committee decided that the amount requested for additional office space should be used exclusively for meeting the reconstruction and refurbishing costs of new office space, or the redesign of existing office space if no new space were available, and not for the rental of space. The Advisory Committee is of the view that, pending consideration of the concept paper on administrative arrangements to be presented by the Secretary of the Board to the Pension Board in 1998, the United Nations should continue to provide the existing office space or any additional office space to the Fund without charge.

III. Budget estimates for the biennium 1998-1999

10. The proposed budget for the Fund for the biennium 1998-1999 amounts to $50,919,700, reflecting an increase of $9,524,200, or 23 per cent, over the revised approved appropriations of $41,395,500 for the biennium 1996-1997 (see A/52/278, para. 93). The budget proposal includes provisions of $16,397,500 for administrative costs, $33,942,900 for investment costs and $579,300 for audit costs. Annex IV to the report of the Standing Committee shows the breakdown of administrative, investment and audit costs by main object of expenditure.

11. In paragraphs 21 to 25 of the report the subject of the cost sharing of the Fund's mainframe computer usage between the United Nations and the Fund is discussed. For the biennium 1996-1997, the actual United Nations/UNJSPF mainframe computer cost sharing was approximately 75/25 per cent. However, for the biennium 1998-1999, the Secretary of the Board had agreed, in the course of discussions with the United Nations, to propose to the Standing Committee that the Fund should absorb a larger portion of the costs of mainframe computer services provided by the International Computing Center (ICC) in

Geneva to the Fund. The Fund's secretariat suggested a 50/50 sharing of costs as an interim and/or transitional arrangement, pending completion of the concept paper to be submitted to the Pension Board in 1998. The United Nations Secretariat, however, made the decision not to include a provision in the proposed programme budget for the biennium 1998-1999 for cost sharing with the Fund the usage of the ICC mainframe computer services, pending completion of the concept paper.[2] Under the circumstances, the Fund's budget proposal for 1998-1999, as submitted by the Secretary to the Standing Committee, included provisions for the entire cost of the Fund's mainframe computer usage, amounting to $2,966,600.

12. The Advisory Committee notes from paragraphs 86 and 94 of the report that the amount included for ICC mainframe computer services reflects the decision taken by the Standing Committee to include, with some reservations, a one year provision of $1,483,300, or half of the estimated biennial costs at this stage, pending review of the concept paper by the Board in 1998. It also notes that the Standing Committee expressed concern with the decision taken by the United Nations administration to change the long-standing arrangements with regard to the sharing of the costs of mainframe computer services, without the Pension Board or the Standing Committee having the possibility to consider the matter (see A/52/278, para. 108). The Advisory Committee shares the view of the Standing Committee on the procedural aspects of this matter. The Advisory Committee makes further observations on this subject in paragraphs 13 to 25 below and a recommendation in paragraph 26 below.

13. The Advisory Committee recalls from paragraph 43 of its report of 1 November 1996 (A/51/644) that the Fund had received an indication from the United Nations that all mainframe processing would be shifted to ICC by the end of 1996 (subsequently revised to March 1997) and that, for the remainder of 1996-1997, the Fund's mainframe needs were to be met by ICC as part of the services to the United Nations, at no additional cost to the Fund. Moreover, for the biennium 1998-1999, the Fund would assess the merits and costs of becoming a separate and independent ICC user, rather than be subsumed under the United Nations. The Advisory Committee trusts that these issues will be fully studied and included in the concept paper to be submitted to the Board in 1998.

14. The Advisory Committee is of the view that the United Nations Secretariat should await the concept paper requested by the Pension Board in 1996 before making changes to the current cost-sharing arrangements with the Fund. The Advisory Committee believes that changes in the existing cost-sharing arrangements between the United Nations and the Fund should not be implemented until the proposals are examined by the Pension Board and the Advisory Committee, prior to submission to the General Assembly for approval.

15. In this connection, the Advisory Committee notes that, as indicated in paragraph 12 above, the amount of $1,483,300 included for ICC mainframe computer services reflected the decision taken by the Standing Committee, bearing in mind, however, that the question of the cost-sharing of the Fund's ICC mainframe computer services will have to be re-examined by the Board in 1998 in the context of the concept paper now under preparation.

16. The Advisory Committee is of the view that, as stated in paragraph 14 above, pending consideration of the concept paper, the status quo of the cost-sharing arrangements between the United Nations and the Fund should be maintained. This is in keeping with the past practice recommended by the Advisory Committee. On this basis, the cost-sharing arrangements for the Fund's ICC mainframe computer services would continue for the time being to be 75 per cent covered by the United Nations and 25 per cent by the Fund. Should this apportionment formula be changed, the amount included in the budget of administrative expenses of the Fund would have to be adjusted accordingly. In the meantime, the United Nations regular budget for 1998-1999 would cover the costs of up to $2,224,900 associated with the maintenance of the United Nations share under the current apportionment formula. Upon request, the Advisory Committee was informed that on the basis of the use of the current 75/25 cost-sharing arrangement for ICC mainframe computer services with the United Nations, the Fund would provide $741,700 for the biennium 1998-1999, pending consideration of the concept paper by the Board (see para. 26 below).

17. The Advisory Committee trusts that the concept paper to be presented to the Pension Board in 1998 will be a comprehensive study of all the administrative arrangements between the Fund and its member organizations, and in particular with the United Nations, reviewing, *inter alia*, the long-standing apportionment formula mentioned in paragraph 8 of the report of the Standing Committee, and making specific recommendations for sharing administrative costs between the Fund and its member organizations based on projected requirements for the future. With respect to the arrangements with the United Nations, the study should clearly indicate the services that the United Nations provides to the Fund, as well as the services that the Fund's secretariat provides to the United Nations, as the secretariat of the

United Nations Staff Pension Committee, and the corresponding costs.

18. Furthermore, in the view of the Advisory Committee, the United Nations should review its methodology for apportioning charges to its affiliated programmes (UNDP, UNICEF, the United Nations Population Fund (UNFPA), etc.) for services, such as those listed in paragraph 10 of the report, rendered to the Fund on their behalf, so that those funds and programmes of the United Nations pay for their appropriate share of the costs of the Fund's secretariat.

19. The Advisory Committee notes that in spite of the rapid increase in the volume of peacekeeping operations in recent years, under the apportionment formula mentioned in paragraph 8 of the report, there has been no consequential increase in the administrative costs of the Fund covered by the United Nations regular budget. Thus, it appears that those costs were absorbed by the Fund. The Advisory Committee believes that the concept paper should also address this concern.

20. As indicated in paragraph 71 of the report, the proposed increases for 1998-1999 in the administrative costs of the Fund's secretariat would affect the ratio of administrative costs (including audit costs) to total pensionable remuneration, from 0.176 per cent of total pensionable remuneration in the biennium 1996-1997 to 0.214 per cent in the biennium 1998-1999.

21. The Advisory Committee notes that in 1985 the Committee of Actuaries recommended that the ratio of administrative costs (including audit costs) to total pensionable remuneration be set at 0.18 per cent. This limit was set under the implicit understanding that the United Nations, as the host organization of the Fund's secretariat, would continue to provide facilities and services without charge, or at a nominal cost, and that there would be a subvention in the United Nations budget to cover, *inter alia*, work carried out by the Fund's secretariat in serving the local pension secretariat of the United Nations (see A/52/278, paras. 72-73).

22. The Advisory Committee notes that in the last four actuarial valuations of the Fund, provision for administrative costs was made at the level of 0.18 per cent of total pensionable remuneration (see A/52/278, para. 71). The Advisory Committee notes that significant changes in the administrative arrangements between the Fund and the United Nations will ultimately lead to substantial increases in the administrative expenses of the Fund and that, this, in turn, would require a change in the relevant assumption used in the actuarial valuation of the Fund and the consequent determination of the required rate of contribution for the actuarial balance (see A/52/278, para. 31). Thus, the Advisory Committee cautions that any change in the present cost-sharing arrangements between the Fund and its member organizations must not increase the actuarial imbalance of the Fund, which will eventually lead to increases in the contributions due from participants and organizations and, consequently, the amounts due from Member States (for the evolution of the actuarial imbalance of the Fund since 1980, see A/51/644, annex). In this connection, the Advisory Committee notes the information contained in paragraph 44 of the report of the Standing Committee.

23. The Advisory Committee notes from paragraph 74 of the report that the Committee of Actuaries at its meeting in 1997 indicated its intention to review, at its next meeting in 1998, the assumption to be made as regards the level of administrative costs (including audit costs) to be reflected in the future actuarial valuation of the Fund.

24. Internal and external audit arrangements and costs are discussed in paragraphs 12 to 17, 26, 27 and 126 to 130 of the report. With respect to internal audit arrangements, for the biennium 1998-1999, the resources requested for staff costs include the addition of a P-3 post from July 1998. Other internal audit costs include $5,000 for training. The Advisory Committee believes that separate provisions for training should not have been included, since the Fund should be paying for already-qualified internal audit services.

25. As regards external audit costs, the Advisory Committee notes that for the biennium 1996-1997, as in the past, the United Nations covered about 90 per cent of the costs. For the biennium 1998-1999, a provision of $157,600 is requested for external audit, reflecting a resource growth of $120,300 as compared to the budget approved for 1996-1997 of $32,600 for external audit. The Advisory Committee agrees that, as part of the longer-term study of the administrative arrangements between the United Nations and the Fund, the issue of the appropriate sharing of both internal and external audit costs would have to be reviewed. The Advisory Committee agrees with the procedure to maintain the current cost-sharing arrangements for external audit pending the review of the concept paper by the Board in 1998 (see para. 26 below).

Recommendations of the Advisory Committee

26. In the light of its comments and observations in paragraphs 7 to 9 and 12 to 22 above, the Advisory

Committee recommends that the appropriations for administrative expenses of the Fund be approved in the amounts of $45,426,800 for the biennium 1996-1997 and $50,069,500 for the biennium 1998-1999, taking into account a reduction of $741,600 for ICC mainframe computer services and of $108,600 for external audit, pending consideration of the concept paper by the Board in 1998. With regard to the impact of this recommendation on the proposed programme budget of the United Nations for the biennium 1998-1999, the Advisory Committee notes the indication in paragraph 1.29 that implications of decisions by the General Assembly in connection with the recommendations of the Fund would be the subject of a statement of programme budget implications that would be submitted to the Assembly during its consideration of the report of the Fund.

27. Furthermore, the Advisory Committee has no objection to the proposal by the Standing Committee to supplement the voluntary contributions to the Emergency Fund by an amount not exceeding $73,000, so that, for the biennium 1998-1999, the resources available to the Emergency Fund would amount to $200,000, after taking into account a voluntary contribution received for the Emergency Fund of $127,023.63 (see A/52/278, paras. 135-136).

Notes

[1] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 6* (A/52/6/Rev.1), vol. I, paras. 1.28-1.31.

[2] Ibid., vol. II, para. 29.97 and table 29.20.